

DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES



Brian Schweitzer
GOVERNOR

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DIRECTOR

STATE OF MONTANA

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January 28, 2011

Victoria Wachino, Director
Barbara Edwards, Group Director
Department of Health and Human Services
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop: S2-14-16
Baltimore, Maryland 21244-1850

Dear Ms. Wachino and Ms. Edwards:

The State of Montana, Department of Public Health and Human Services (DPHHS), formally submits this Montana Medicaid Part D Prescription Drug Program Section 1115 Waiver demonstration initiative, "To provide citizens of Montana access to Medicaid drug pricing to increase affordable prescription drug coverage."

The waiver will remove barriers to pharmacy coverage for Montanans by extending Medicaid eligibility for a Medicaid prescription drug benefit through a Section 1115 Waiver. The prescription drug benefit is to offer prescription drugs at a lower price, which is the Medicaid best price. Best price will be achieved in a two step process, first by offering Medicaid drug pricing at the pharmacy counter and then passing associated Medicaid drug rebates, net of administrative costs.

All Montana residents, up to 200% FPL (income above this will be disregarded), regardless of resources or insurance status will be eligible to enroll. Enrollment will be voluntary and will not be capped. The waiver population does not include otherwise enrolled Medicaid individuals, those already enrolled in Medicaid through the State Plan or other Medicaid waivers.

The attached Tribal consultation letter was sent on 11/17/10 to the seven Federally-recognized Montana Tribes. The public was noticed through the following methods: the attached newspaper notice was published by 11/19/10 in the six largest Montana newspapers; the waiver and public forum agenda were posted on our DPHHS website at <http://www.dphhs.mt.gov/index.shtml> on 11/16/10; a public forum for public comment was held on 12/2/10; and the waiver was discussed at the 12/2/10 Montana Health Coalition (medical advisory committee).

Thank you for consideration of our formal Section 1115 Waiver request. If you have questions, please contact me at (406) 444-4084 or by email at mdalton@mt.gov.

Sincerely,



Mary E. Dalton, State Medicaid Director

Cc: Anna Whiting Sorrell, DPHHS Director
Angela Gardner, CMS, Acting Deputy Division Director
Joe Fine, CMS, Technical Director
Diana Maiden, CMS, Health Insurance Specialist
Richard Allen, CMS, Associate Regional Administrator

Attachment: Montana Medicaid Part D Prescription Drug Program Section 1115 Waiver
Business Requirements Overview
Tribal Consultation Letters
Public Newspaper Notices